

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: April 10, 2007

Bill Number: H.B. 3079

Authors: Kirsh and Sandifer

Committee Requesting Impact: House Ways and Means

Bill Summary

A bill to amend the Code of Laws of South Carolina, 1976, by adding Section 12-60-2535 so as to provide for an appeal of a county assessor's property tax assessment to the county governing body in certain cases and to allow the payment of attorney's fees to the taxpayer who prevails on appeal; and to amend Section 12-43-232, relating to real property requirements for classification as agricultural use, so as to allow an agricultural use classification for real property under the same ownership.


REVENUE IMPACT ^{1/}

This bill is not expected to impact State revenues. Local revenues are expected to decrease by less than \$1.0 million in Fiscal Year 2007-08.

Explanation

Section 1 of this bill allows a taxpayer to appeal real property assessments to the county governing body instead of the board of assessment appeals if the protest arises due to the assessor's decision to remove the agricultural use classification from the property. The county will also have to pay the reasonable attorney's fees to a taxpayer who prevails on appeal. Responses from county officials indicated this would increase the cost of doing business for everyone involved in the process including the assessor, the county council, the county and the property owner.

Section 2 of this bill adds additional language to Section 12-43-232(1)(a) to enable tracts of land under the same ownership to qualify as agricultural real property. Based on conversations with county officials, allowing additional tracts of land to qualify as agricultural real property is expected to reduce local property tax revenues by less than \$1.0 million in Fiscal Year 2007-08.


William C. Gillespie, Ph.D.
Chief Economist

Analyst: Gibson

^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.